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TAGS: [PGOV](#) [PREL](#) [UP](#)
SUBJECT: LYTVYN ELECTED NEW SPEAKER, ANNOUNCES NEW
COALITION

REF: KYIV 2383

Classified By: Charge James Pettit for reasons 1.4 (b,d).

Summary

1. (C) A rumored super-majority coalition of PM Tymoshenko's BYuT and Party of Regions failed to materialize in the Ukrainian parliament as the Rada on December 9 elected Volodymyr Lytvyn as its new Speaker. Lytvyn announced that his Lytvyn bloc, BYuT, and a majority of Our Ukraine-People's Self-Defense (OU-PSD) had signed an agreement in principle to form a coalition. A formal coalition agreement was still being finalized. Tymoshenko is expected to remain as PM. The defection of a majority of OU-PSD MPs from Yushchenko helped make the new coalition deal possible. President Yushchenko appears to be working to undo the coalition as it was made without his blessing. Winners: Tymoshenko and Lytvyn. Losers: Yushchenko and Regions leader Yanukovych. End Summary.

New Speaker Announces New Coalition

2. (U) On December 9, the Rada elected Volodymyr Lytvyn as Speaker, filling the seat that had been empty since the November 12 ouster of former Speaker Arseniy Yatsenyuk. 244 MPs voted for Lytvyn, including 40 OU-PSD MPs and the entire 27-member Communist Bloc -- the Communists explained that they voted for Lytvyn to get the Rada back to work. Lytvyn immediately took his seat and announced that a new coalition would be formed by BYuT, OU-PSD and his Lytvyn Bloc. He said that a coalition agreement would be finalized in the next few days.

3. (C) Lytvyn announced the coalition on the basis of an agreement in principle that was signed by himself, BYuT faction head Ivan Kyrylenko and OU-PSD deputy faction head Borys Tarasyuk -- OU-PSD faction head and key Yushchenko ally Vyacheslav Kyrylenko was nowhere to be found. Rada contacts told us that 40 out of 72 OU-PSD MPs voted in favor of the grouping. In September 2008, the Constitutional Court ruled that factions, not individuals, make up coalitions. Therefore, Rada contacts told us, a majority of MPs in a faction can commit the entire faction to a coalition. In this case, BYuT, Lytvyn Bloc and OU-PSD total 248 MPs -- approximately 215 MPs from the three factions actively support forming a coalition (a majority of 226 is needed to pass legislation.)

4. (C) The Speaker vote and internal OU-PSD vote for the coalition came while President Yushchenko was visiting Lithuania, Regions head Viktor Yanukovych was in Moscow at Patriarch Aleksey II's funeral, and Presidential Chief of Staff Viktor Baloha was on vacation in Spain.

Is There A Coalition? Not So Fast, Say Yushchenko Allies

15. (SBU) In a statement released after the Rada closed, PM Tymoshenko hailed Lytvyn's election, and said that by electing Lytvyn and announcing the new coalition, BYuT, Lytvyn Bloc and "most of the votes" from OU-PSD had "overcome" the political crisis. OU-PSD MP and Yushchenko ally Ksenia Lyapina said that "as of now" no coalition exists, as a final coalition agreement has not been signed. Lyapina said that if no final coalition agreement is signed and submitted within four days, Lytvyn would have to repudiate his coalition announcement. She expressed hope that a negotiated agreement could be voted on "honestly" by OU-PSD.

Division in OU-PSD

16. (C) OU-PSD MP and coalition supporter Mykola Katerynychuk told us that the December 10 faction meeting was fractious and difficult. He said that Yushchenko and his allies were working to scuttle the coalition. He expressed hope that the faction majority would hold, but conceded that Yushchenko and his allies could be successful in pressuring and flipping OU-PSD MPs, leaving the Rada with a new Speaker but no coalition. OU-PSD MP Kyrylo Kulikov told us that, the raucous faction meeting notwithstanding, the coalition would be formed. He said the coalition supporters within OU-PSD are attempting to attract further support to their side to get comfortably above 226 MPs actively supporting the coalition. He said a coalition with fewer than 226 supporters would likely be challenged in court.

17. (C) OU-PSD MP and coalition supporter Volodymyr Arieiev told us that another internal battle could be over whether Tarasyuk had the authority, as deputy faction leader, to sign any agreement in principle related to coalition-building, and whether he could sign a final coalition agreement. Arieiev, Katerynychuk and Kulikov told us that a deputy faction leader has a right to sign agreements on behalf of the faction. Their position appears to be supported by the Rada Rules that were adopted on September 19, 2008. Arieiev concluded that if the coalition is delayed by a fight over Tarasyuk's authority, the 40 OU-PSD MPs who voted to join the coalition could vote Vyacheslav Kyrylenko out as faction head and replace him with Tarasyuk or another MP who supports the coalition.

18. (SBU) Political analyst and embassy contact Viktor Nebozhenko said that, even if a final coalition agreement is not ratified, Lytvyn as Speaker would provide some stability to the Rada, as he is not beholden to Yushchenko. As such, Lytvyn would do everything in his power as Speaker to fight a renewed attempt to dissolve the Rada, although Yushchenko does retain that right so long as no coalition is formed.

Is Tymoshenko's PM Spot Safe?

19. (SBU) Speaker Lytvyn announced on December 10 that the formation of a new coalition did not require a change in the PM. BYuT MP Portnov argued that nothing in the constitution or CabMin law states that a government must resign when a new coalition takes power. Rather, a new PM would be submitted for approval only if the coalition chose to do so. "There has been no proposal on replacing the Premier," Portnov said. OU-PSD MP Lyapina noted that legal analysts disagree over whether a new coalition would mean Tymoshenko would have to be resubmitted for PM. Lyapina suggested that she agreed with the argument that a new coalition must propose a PM to the President.

110. (C) MP Kulikov dismissed Lyapina's position, and echoed Portnov in saying that nothing in the law compelled a new coalition to re-submit a standing Prime Minister's name for approval. Kulikov also dismissed as unlikely any attempt by Tymoshenko foes to push a no-confidence vote. He said the Communists were unlikely to support any such measure, and

even a number of Regions MPs would be unsupportive.

Comment

¶11. (C) The Rada now has a Speaker and can once again pass legislation. The proposed BYuT/OU-PSD/Lytvyn coalition could be finalized by the end of this week. Yushchenko continues to oppose reuniting with Tymoshenko, but appears to have now lost at least 40, possibly more, OU-PSD MPs. Pro-coalition OU-PSD MPs are cautiously optimistic they can gather more support for their side to avoid any potential court challenge to the coalition. BYuT is confident the new coalition will prevail. Yushchenko appears to be further weakened, as Tymoshenko and Lytvyn have combined to outmaneuver him. Party of Regions and Regions leader Yanukovich are sidelined
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